USDA Foreign Agricultural Service
GAIN Report
Global Agricultural Information Network

Voluntary - Public

Date: 4/29/2010
GAIN Report Number: G50035

EU-27

Post: Brussels USEU

Trade Policy Monitoring 2010

Report Categories:

Approved By:
Elisa Wagner
Prepared By:
Erik Holo

Report Highlights:
This report analyzes the basic trends in EU-27 agricultural imports over the five-year period, 2005 through 2009. It is composed of two sections; one contextualizes EU-27 imports of U.S. agricultural, fish and forestry products against U.S. global competitors, the other explains the policy, economic, and preference changes for specific commodities that caused increases or decreases in trade.

Executive Summary:

This GAIN report analyzes the agricultural import trends of the 27 member states of the European Union (EU-27) over the five-year period, January 2005-December 2009. The focus of this report is EU-27 imports of U.S. agricultural goods. As such, it is composed of two sections. The first illustrates the competitive standing of the U.S. relative to Europe's other trade partners. The second examines specific commodities and explains the forces behind their fluctuations over the five-year period.

The first section of this report is divided into six subsections. The first examines EU-27 imports of U.S. agriculture, fish and forestry against those EU-27 imports from the rest of the world. The remaining sections are individually devoted to bulk, intermediate, consumer oriented, fish and seafood, and forestry commodities. These subsections illuminate how the three highest grossing U.S. products in each category measure against their international competitors for market share of the EU-27.

The second section of this report scrutinizes commodities that either increased or decreased substantially in value over the five-year period and explains what caused the change.

Mixed observations can be drawn from this report. EU-27 imports of U.S. agricultural goods lost traction overall and in key commodities. EU-27 imports of the same commodities declined by 2 percent, coupled with an overall loss of market share. Likewise, key U.S. export commodities like wheat and tree nuts lost market share, in some cases substantially; wheat, for instance, declined 64 percent in value. Other products, however, managed to increase in value and market share over the period. Processed fruits and vegetables and fresh salmon increased their market shares by 33 and 40 percents, respectively. The causes of these gains and losses can be variously attributed to technical barriers to trade, regulatory reform or marketing. The case of fresh salmon, for instance, demonstrates that although the EU-27 is considered a mature market, sustained and innovative marketing efforts can yield positive results.

A signature feature of the five-year period was the economic recession. Nearly all products experienced at least some growth from 2005-08 and declined in value between 2008 and 09, suggesting that the economic recession had a hand in shaping the outcome of the five-year period. While EU-27 imports of U.S. processed fruit and vegetables increased by 32 percent from 2005-09, for example, they increased by 35.4 percent from 2005-08 and declined by 4.4 percent between 2008 and 09. While causality is difficult to attribute, the timing and ubiquity of this phenomenon suggests strongly that the global economic recession played at least some role in shaping the outcome.

This report should be seen in the context of broader trade trends. From 1979-2009, U.S. agriculture, fish and forestry exports to the world increased by 174 percent to $107 billion. In contrast, U.S. exports to the EU-27 decreased by 24 percent, from $12 billion to $9.2 billion. While U.S. imports from the world increased by 303 percent and those from the EU-27 increased 421 percent. These statistics are striking in that they suggest that the broader trend for U.S. exports to the EU-27 is one of decline while EU-27 exports have benefitted from the removal of market access barriers.

The data for this report was derived from two different sources. This was done deliberately because the different sources offered different products that better suited each section. The data for the first section on the U.S.' global competitiveness in the EU-27 was gathered from the Global Trade Atlas. The data for the second section was retrieved from the Global Agricultural Trade

System. As such, the first section's statistics differ slightly from those in the second section because they report commodities and products that passed through customs in the EU-27 as opposed to the second section, which reports commodities and products that were reported departing from U.S. destinations. Although there are differences between the two, the trends are the same.

All data is measured by BICO, a standard commodity grouping at the six-digit Harmonized Tariff System level. BICO is inclusive of all agricultural commodities, grouped as Bulk, Intermediate, Consumer Oriented, Forest, and Fish/Seafood Products and equivalent to agriculture, fish, and forestry. Respective groups account for the following products:

- **Bulk Commodities**: course grains, cotton, peanuts, tobacco, pulses, rice, soybeans, wheat
- **Intermediate Commodities**: animal fats, hides, skins, live animals, planting seeds, soybean meal, soybean oil, wheat flour, sugar, sweeteners, beverage bases
- **Consumer Oriented Products**: breakfast cereals, dairy products, eggs and egg products, nursery products, pet food, poultry meat, red meats, snack foods, tree nuts, wine, beer, processed fruits and vegetables, fresh fruits and vegetables, fruit and vegetable juices
- **Forest Products**: logs and chips, softwood, treated lumbar, value-added wood products, panel products, hardwood lumbar

Fish and Seafood Products: crab meat, roe and urchin, salmon, other edible fish and seafood, and surimi

General Information:

EU-27 Imports of Agriculture Fish, and Forestry

Percentage Change EU-27 Imports from the World

Commodity	Percentage Change in Value		
	2005-08	2008-09	2005-09
Bulk	46.2%	-31.6%	29.2%
Intermediate	42.7%	-28.6%	26.2%
Consumer Oriented	30.6%	-14.9%	20.2%
Forest Products	22.2%	-50.8%	-17.4%
Fish and Seafood	27.9%	-11.5%	19.6%
Total	35.8%	-23.4%	20.7%

Source: Global Trade Atlas

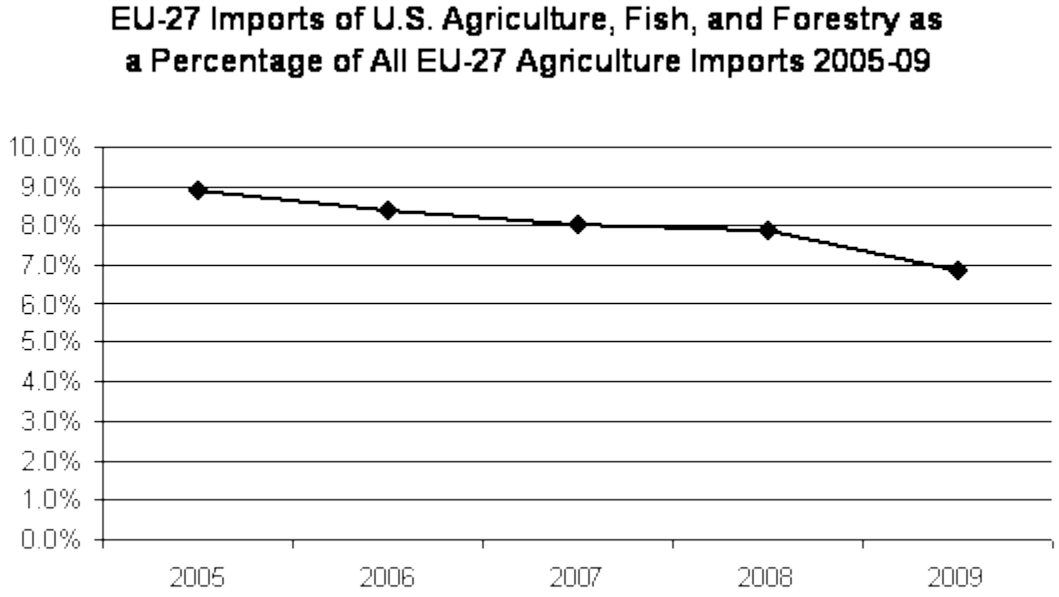
Percentage Change EU-27 Imports from the U.S.

Commodity	Percentage Change in Value		
	2005-08	2008-09	2005-09
Bulk	47.6%	-112.6%	-11.5%
Intermediate	23.1%	-27.2%	2.1%
Consumer Oriented	15.4%	-12.7%	4.7%
Forest Products	1.4%	-45.4%	-43.4%
Fish and Seafood	30.3%	-28.5%	10.5%
Total	27.4%	-41.2%	-2.4%

Source: Global Trade Atlas

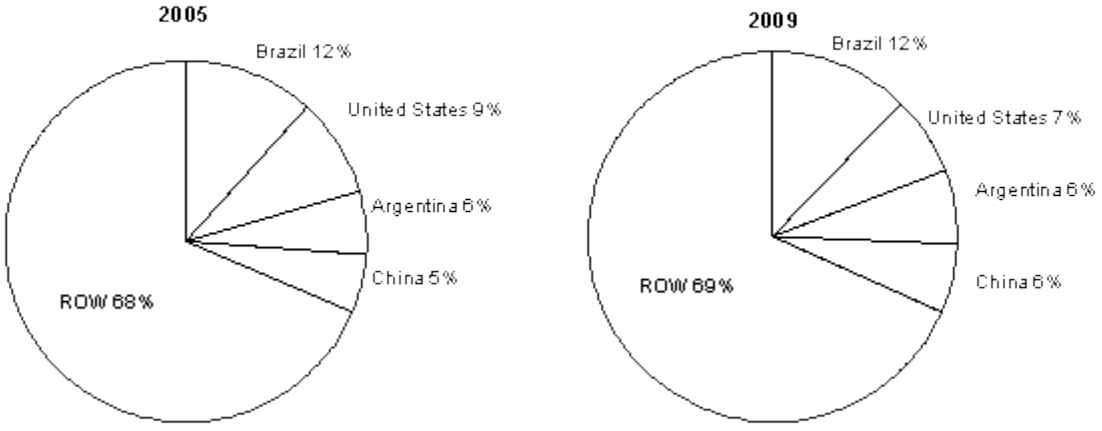
Global Competitiveness

The United States' share of the EU-27 agricultural market fell overall from 9 percent in 2005 to 7 percent in 2009.



Source: Global Trade Atlas

Country Market Share of EU-27 Agricultural Imports



Source: Global Trade Atlas

BULK

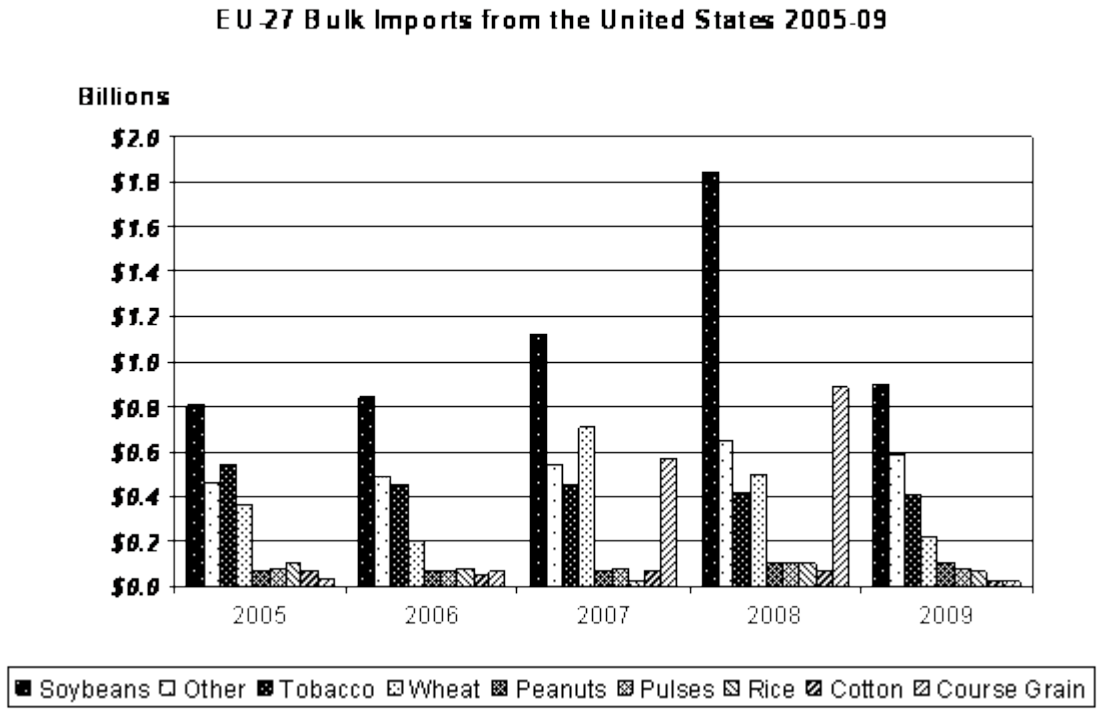
EU-27 imports of U.S. bulk goods contracted between 2005 and 2009 by 11.5 percent. In contrast, EU

exports of bulk goods to the United States increased by 27 percent to $292 million.

Percentage Change in Value of EU-27 Imports of U.S. Bulk Commodities

Commodity	Value $		Percentage Change in Value		
Bulk	2005	2009	2005-08	2008-09	2005-09
Soybeans	$803,149,375	$899,606,039	56.5%	-105.2%	10.7%
Other	$463,444,481	$589,428,038	28.6%	-10.1%	21.4%
Tobacco	$544,149,437	$413,831,736	-30.6%	-0.7%	-31.5%
Wheat	$362,078,414	$220,839,332	27.2%	-125.1%	-64.0%
Peanuts	$75,442,676	$107,043,416	28.4%	1.6%	29.5%
Pulses	$85,485,056	$83,426,276	16.6%	-22.8%	-2.5%
Rice	$102,000,308	$63,593,697	3.1%	-65.5%	-60.4%
Cotton	$68,637,731	$26,509,342	1.1%	-161.7%	-158.9%
Course Grain	$34,459,107	$22,601,125	96.1%	-3840.8%	-52.5%

Source: Global Trade Atlas



Source: Global Trade Atlas

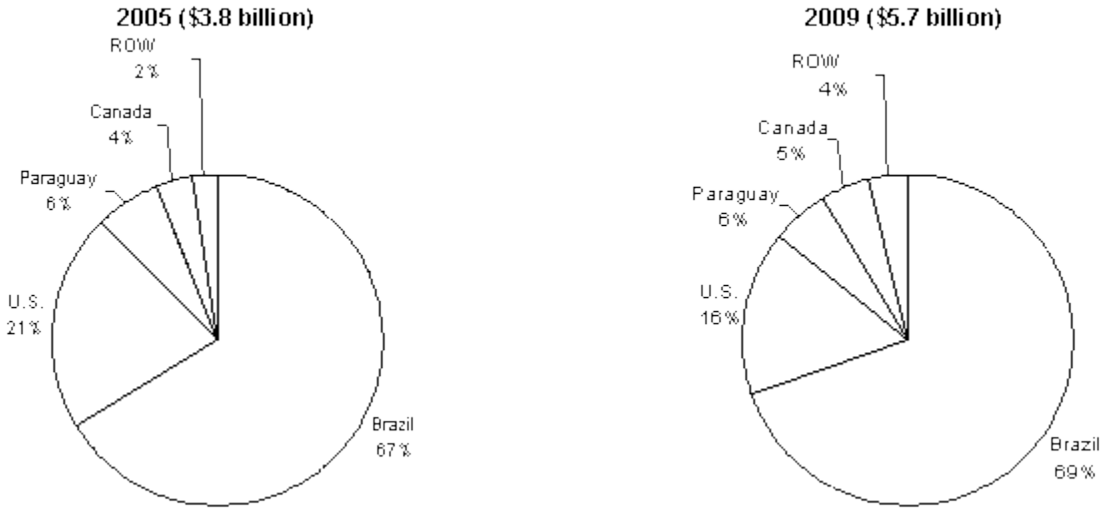
Global Competitiveness

Soybeans

U.S. market share of soybeans in the EU-27 declined by 5 percentage points from 2005-09 losing ground to Paraguay, Canada, and Brazil, despite the fact that EU-27 imports of U.S. soybeans

increased in value by 11 percent to $899 million in 2009.

Soybeans

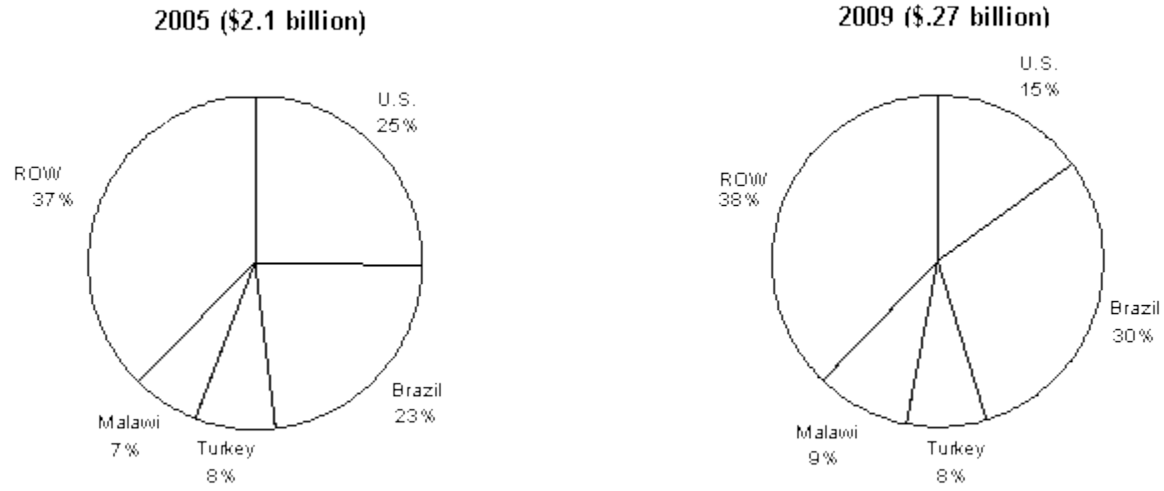


Source: Global Trade Atlas

Tobacco

While EU-27 imports of U.S. tobacco declined during this period, its global competitors gained a substantial portion of EU-27 tobacco imports. The United States' share of EU-27 tobacco imports declined by 10 percent over the five-year period.

Tobacco

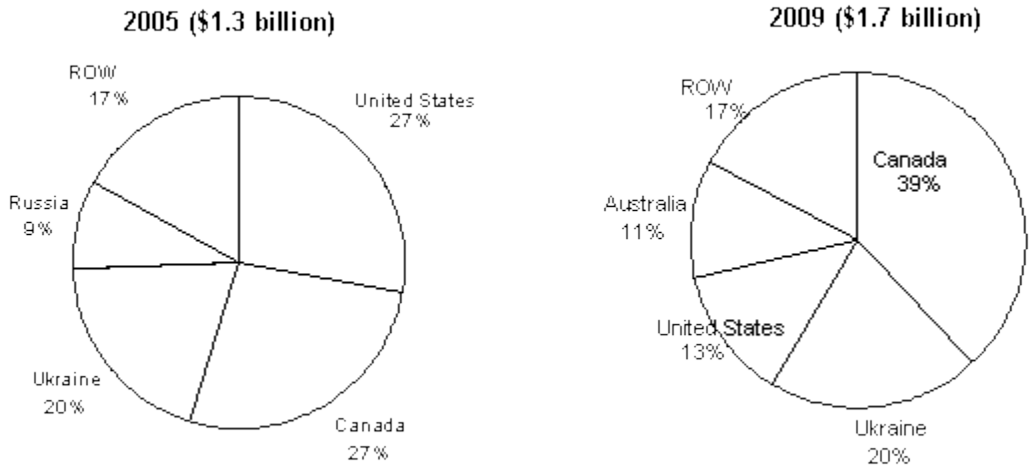


Source: Global Trade Atlas

Wheat

U.S. wheat lost market share from 2005-09, declining 14 percent.

Wheat



Source: Global Trade Atlas

INTERMEDIATE

EU-27 imports of U.S. intermediate goods increased by 2.1 percent. In contrast, in 2009 EU-27 intermediate exports decreased to $3.9 billion, a 3 percent decline.

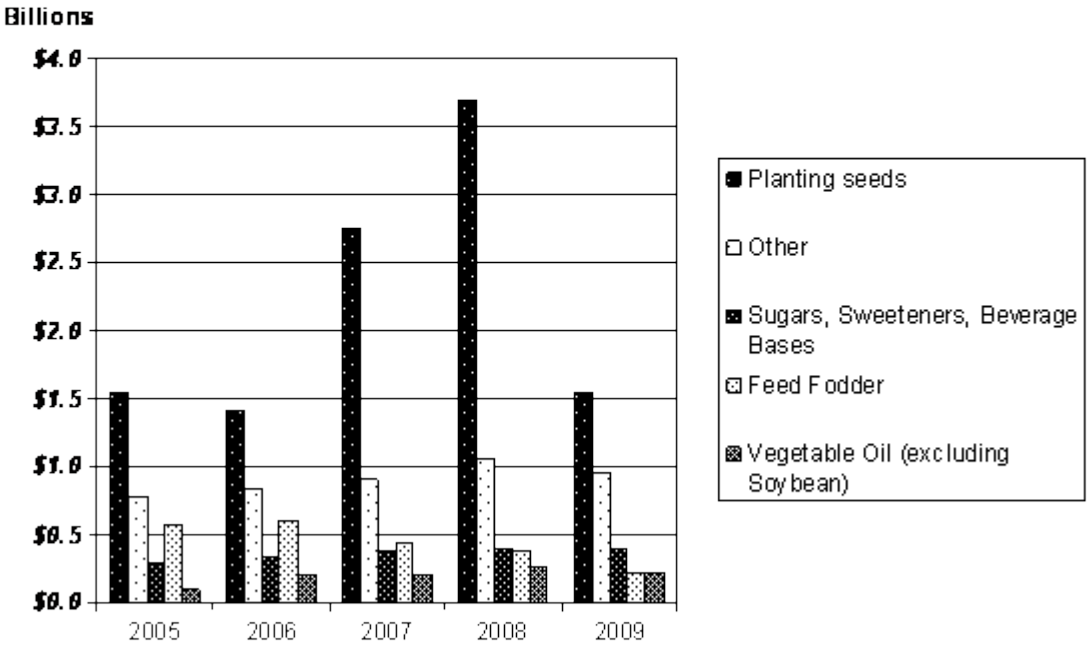
Percentage Change in Value of EU-27 Imports of U.S. Intermediate Commodities

Commodity	Value $		Percentage Change in Value		
Intermediate	2005	2009	2005-08	2008-09	2005-09
Planting seeds	$1,551,418,256	$1,553,066,392	57.9%	-137.5%	0.1%
Other	$785,844,552	$959,636,168	25.9%	-10.5%	18.1%
Sugars, Sweeteners, Beverage Bases	$291,547,169	$401,203,280	26.8%	0.70%	27.3%
Feed Fodder	$579,538,270	$221,254,476	-47.2%	-78.0%	-161.9%
Vegetable Oil (excluding	$98,653,509	$220,344,120	63.7%	-23.5%	55.2%

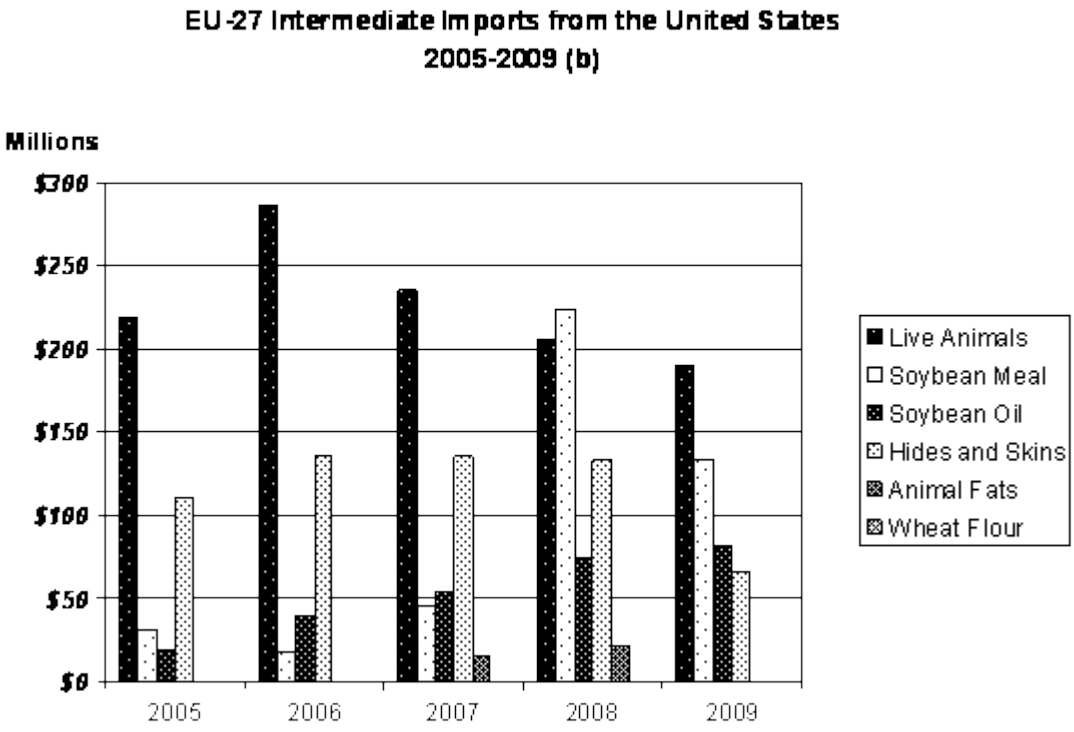
Soybean)					
Live Animals	$218,035,157	$190,758,746	-6.1%	-8.0%	-14.3%
Soybean Meal	$31,201,862	$133,003,368	86.1%	-68.5%	76.5%
Soybean Oil	$20,207,296	$81,256,375	73.0%	7.9%	75.1%
Hides and Skins	$110,730,050	$66,813,730	16.8%	-99.2%	-65.7%
Animal Fats	$681,952	$873,784	96.9%	-2415.2%	22.0%
Wheat Flour	$402,437	$548,520	44.5%	-32.3%	26.6%

Source: Global Trade Atlas

EU-27 Intermediate Imports from the United States 2005-2009 (a)



Source: Global Trade Atlas



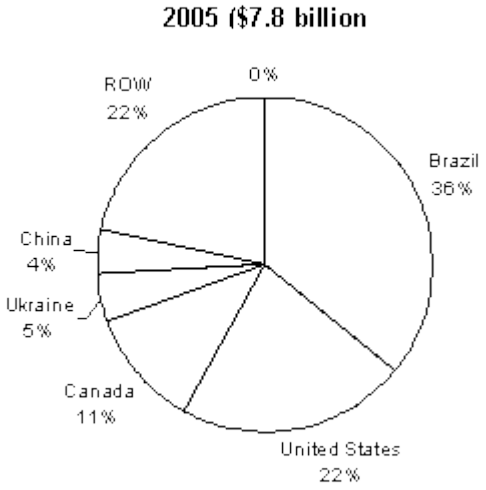
Source: Global Trade Atlas

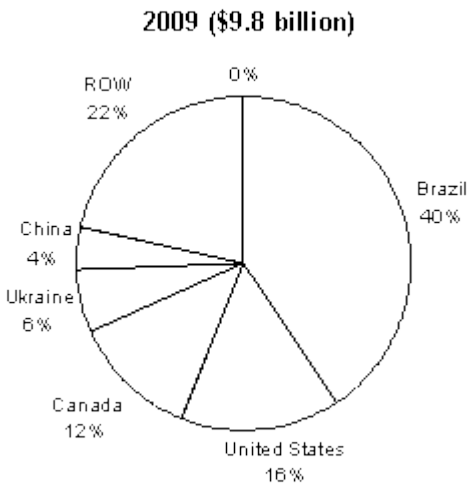
Global Competitiveness

Planting Seeds

Planting seeds were the highest valued intermediate product the EU-27 imported from the United States in 2009 at $1.6 billion. Planting seeds lost market share by 6 percent from 2005-09.

Planting Seeds



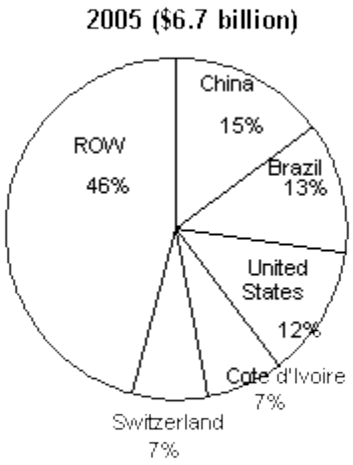


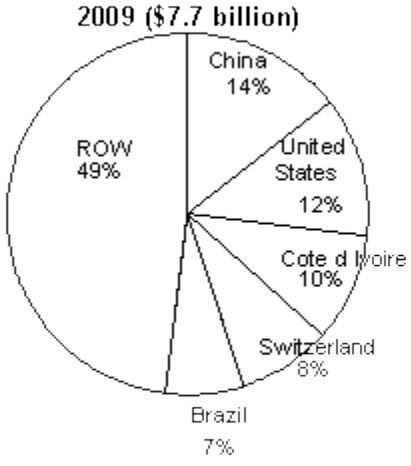
Source: Global Trade Atlas

Other Intermediate

Other intermediate products, consisting mostly of odiferous mixes for food and drink, edible fat and oil mixtures, and peptones, were the second highest valued intermediate product commodity at $960 million in 2009, an 18 percent increase. Other intermediate products retained its 12 percent market share during this period.

Other Intermediate



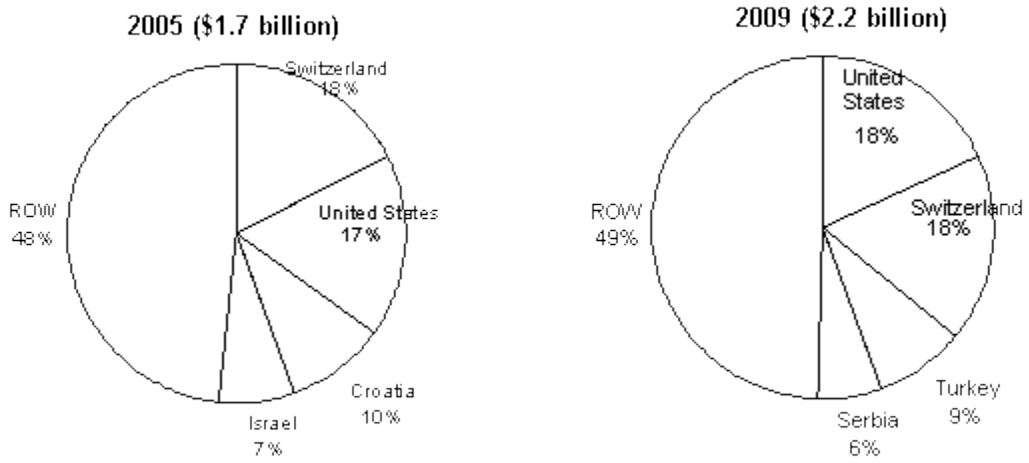


Source: Global Trade Atlas

Sugars, Sweeteners, Beverage Bases

Sugars, sweeteners, beverage bases increased 27 percent in value to $401 million in 2009, making it the third highest grossing intermediate commodity. Complementing its growth, it gained 1 percent in market share.

Sugars, Sweeteners, Beverages Bases



Source: Global Trade Atlas

CONSUMER ORIENTED

The EU-27 imports of U.S. consumer oriented products increased 4.7 percent from 2005-09. Meanwhile, the EU-27 exported $1.9 billion of consumer agricultural products to the U.S. in 2009, a 22.6 percent increase from 2005.

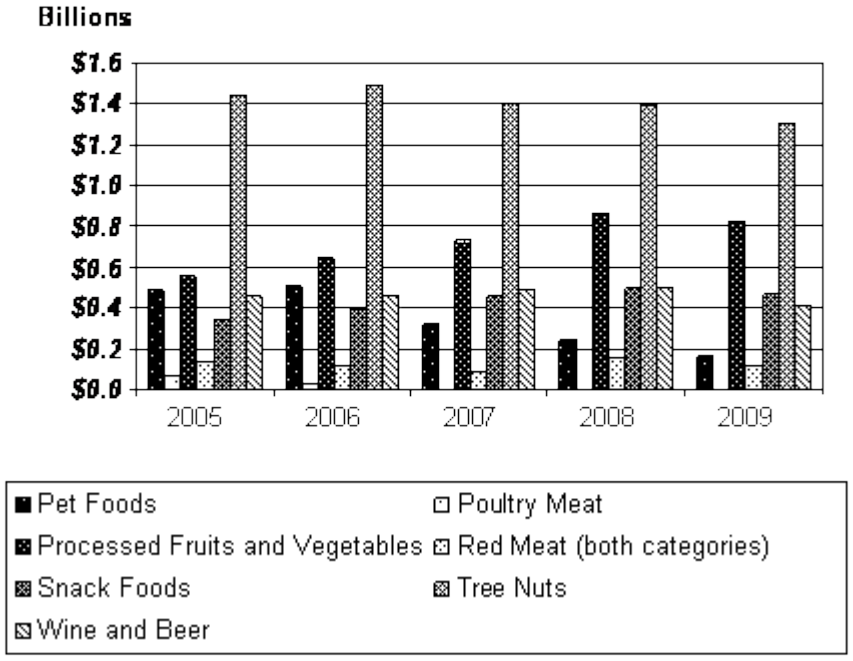
Percentage Change in Value of EU-27 Imports from the U.S.

Commodity	Value $		Percentage Change in Value		
Consumer Oriented	**2005**	**2009**	**2005-08**	**2008-09**	**2005-09**
Pet Foods	$489,790,165	$165,617,403	-97.4%	-49.8%	-195.7%
Poultry Meat	$69,168,758	$733,625	-5640.8%	-64.2%	-9328.4%
Processed Fruits and Vegetables	$558,915,130	$828,025,850	35.4%	-4.4%	32.5%
Red Meat (both categories)	$139,055,303	$122,685,491	13.5%	-31.1%	-13.3%
Snack Foods	$348,269,772	$470,545,651	29.7%	-5.3%	26.0%
Tree Nuts	$1,435,948,814	$1,301,742,771	-3.3%	-6.8%	-10.3%
Wine and Beer	$457,463,465	$413,498,399	8.1%	-20.3%	-10.6%
Breakfast Cereals	$14,646,385	$27,485,914	36.0%	16.7%	46.7%

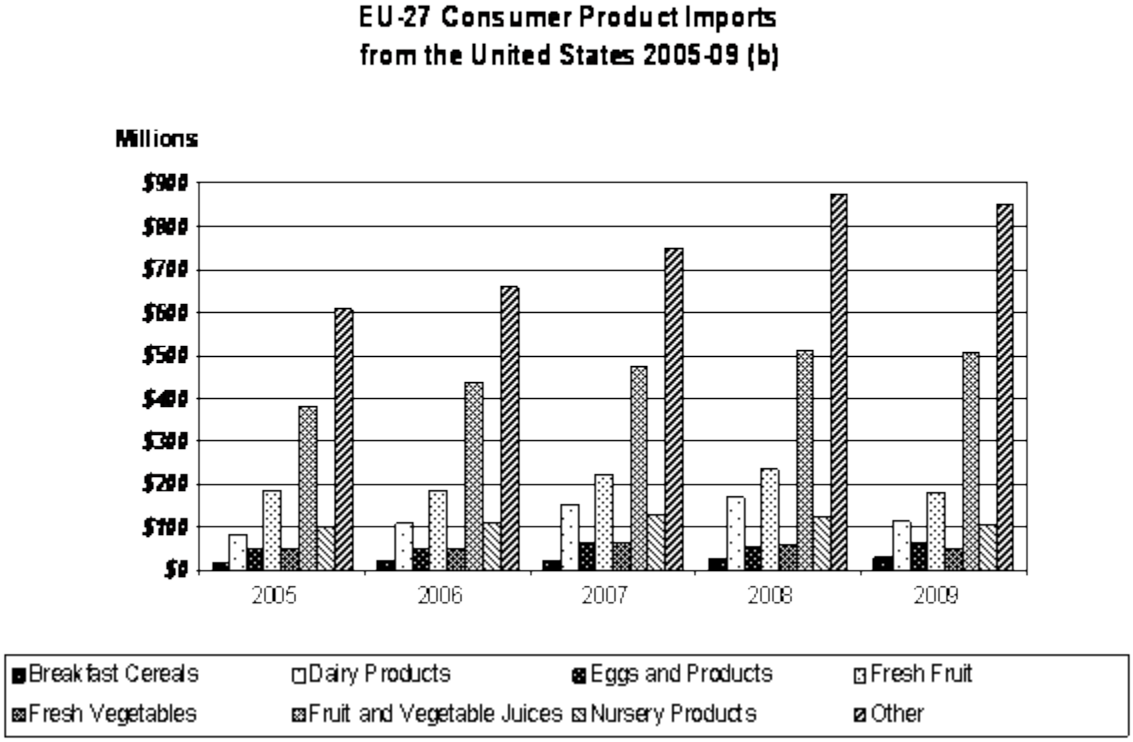
Dairy Products	$81,078,543	$112,848,414	51.5%	-48.0%	28.2%
Eggs and Products	$48,710,793	$64,150,919	9.6%	16.0%	24.1%
Fresh Fruit	$186,786,827	$180,771,325	19.6%	-28.5%	-3.3%
Fresh Vegetables	$48,418,630	$44,460,734	15.7%	-29.2%	-8.9%
Fruit and Vegetable Juices	$380,751,271	$506,208,613	25.4%	-0.9	24.8%
Nursery Products	$96,437,542	$102,489,780	23.1%	-22.4%	5.9%
Other	$605,981,990	$850,773,009	30.8%	-3.0%	28.8%

Source: Global Trade Atlas

EU-27 Consumer Product Imports from the United States 2005-09 (a)



Source: Global Trade Atlas

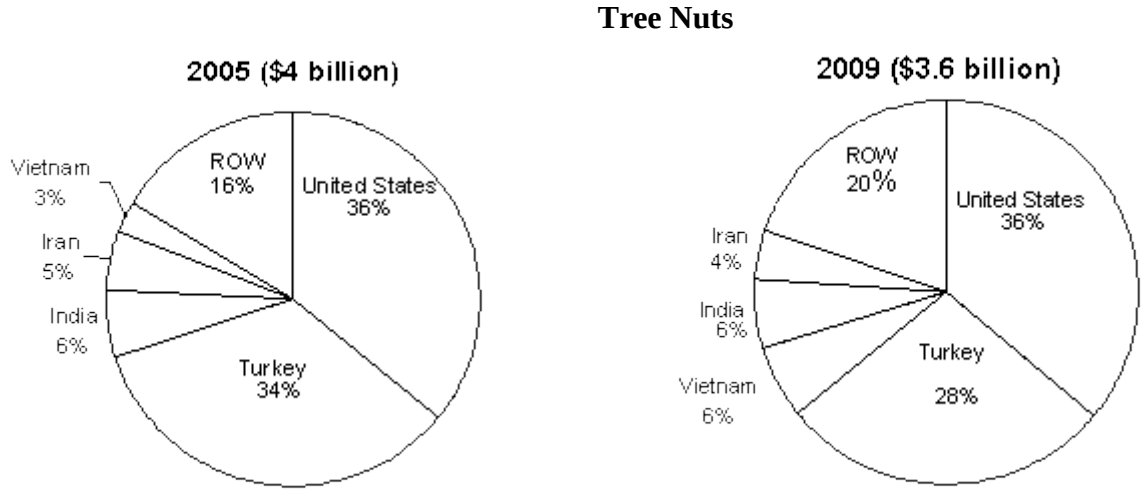


Source: Global Trade Atlas

Global competitiveness

Tree nuts

Tree nuts were the highest valued U.S. consumer oriented product the EU-27 imported in 2009 at $1.3 billion. Despite a 10 percent decrease, tree nuts held their market share at 36 percent.

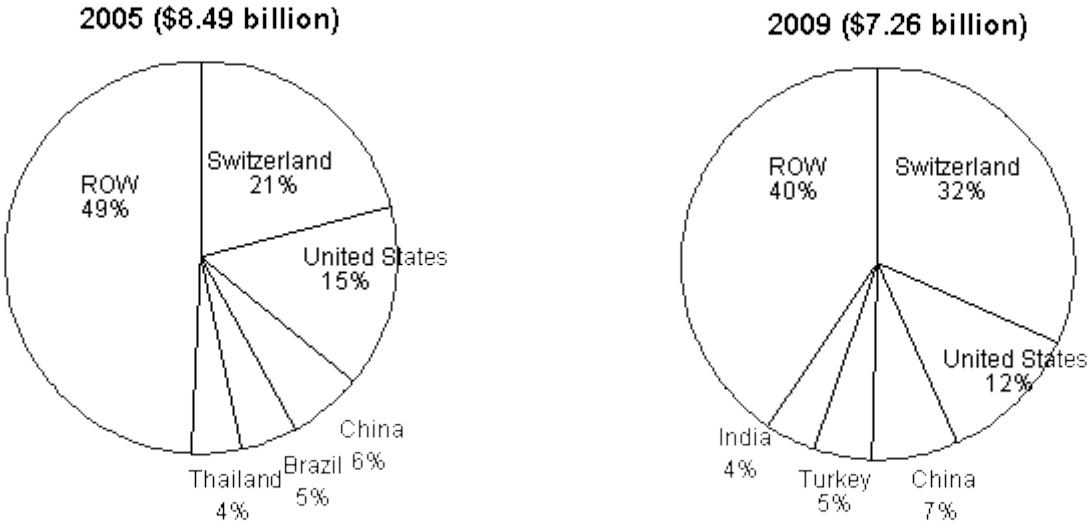


Source: Global Trade Atlas

Other consumer oriented products

Other consumer oriented products, composed mostly of food preparations, enzymes, and starches, lost 3 percent of its market share from 2005-09, despite a 29 percent increase in value.

Other Consumer

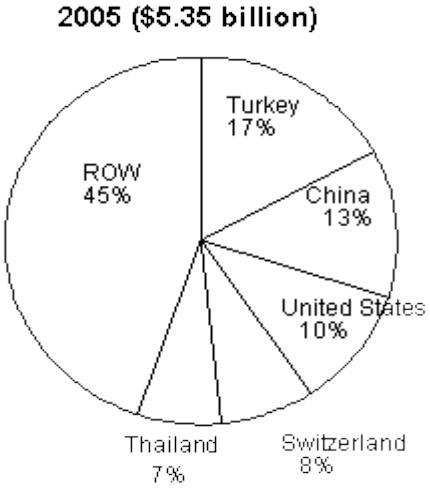


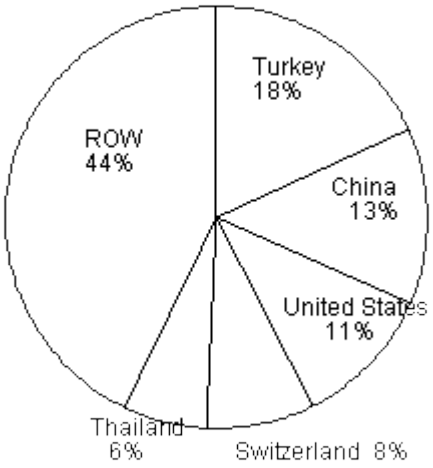
Source: Global Trade Atlas

Processed fruit and vegetables

U.S. exports of processed fruits and vegetables increased 33 percent to $828 million in 2009 and only experienced a 4 percent decrease between 2008 and 2009. Processed fruit and vegetables increased their market share over the five-year period, gaining 1 percent in a $7.47 billion market.

Processed Fruits and Vegetables





Source: Global Trade Atlas

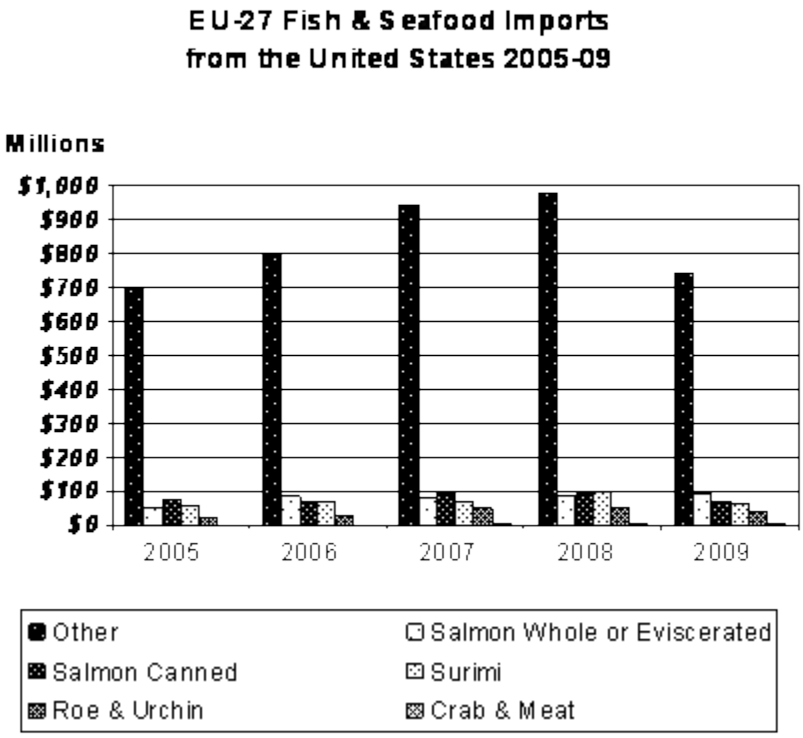
FISH AND SEAFOOD

EU-27 imports of fish and seafood products from the United States increased by 10.5 percent from 2005. In comparison, EU-27 exports to the U.S. increased 44 percent from 2005-09 to $372 million.

Percentage Change in Value of EU-27 Imports of U.S. Fish and Seafood Commodities

Commodity	Values $		Percentage Changes in Value		
Fish and Seafood	2005	2009	2005-08	2008-09	2005-09
Other	$696,036,853	$742,929,632	291.0%	-32.0%	6.3
Salmon Whole or Eviscerated	$54,490,503	$91,547,948	35.7%	7.4%	40.5%
Salmon Canned	$72,601,580	$70,821,380	20.0%	-28.2	-2.5%
Surimi	$59,826,750	$65,038,831	35.5%	-42.6%	8.0%
Roe & Urchin	$22,566,647	$37,252,943	57.3%	-41.8%	39.4%
Crab & Meat	$1,660,907	$3,430,662	72.5%	-75.9%	51.6%

Source: Global Trade Atlas



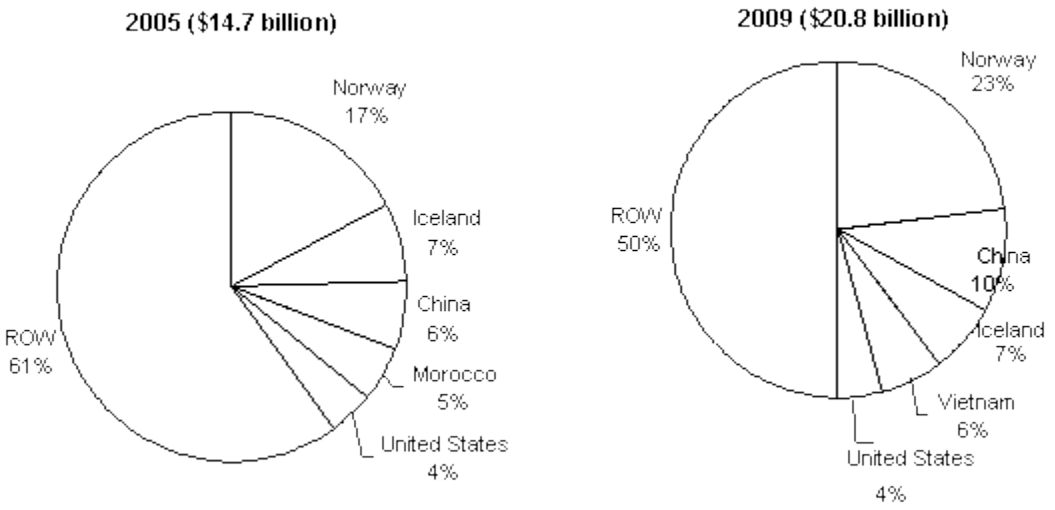
Source: Global Trade Atlas

Global Competitiveness

Other fish and seafood

U.S. other fish and seafood products, composed predominately of fish fillets, cod, and lobster, were the highest valued fish and seafood commodity that the EU-27 imported from the United States in 2009 at $743 million. Although it only grew by 6 percent from 2005-09, it hung on to its 4 percent share of the EU-27 market.

Other Fish and Seafood

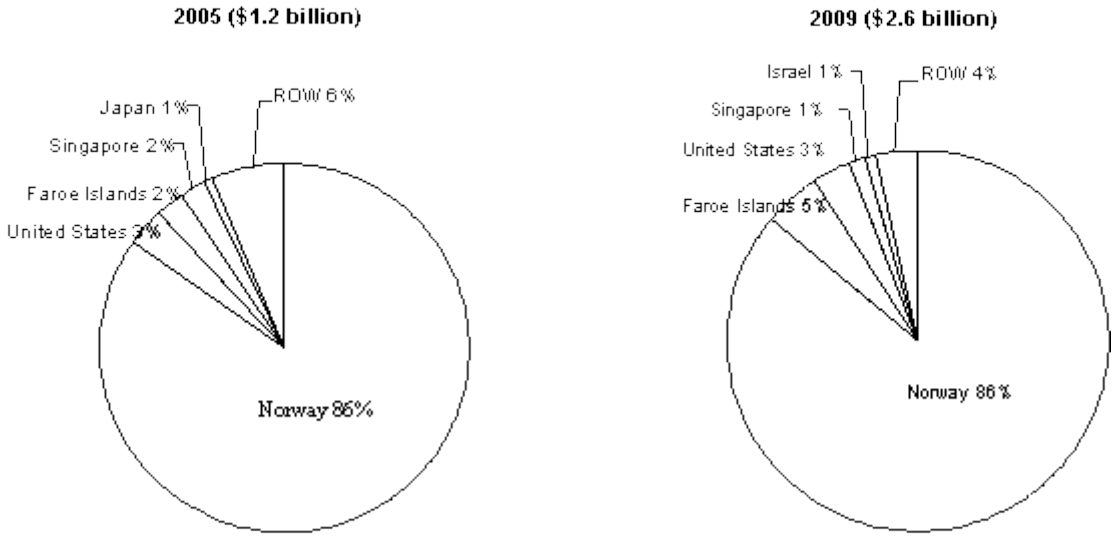


Source: Global Trade Atlas

Salmon whole or eviscerated

U.S. salmon whole or eviscerated earned $91.5 million in 2009, a 40.5 percent increase from 2005. EU-27 imports of U.S. salmon whole or eviscerated retained its three percent market share.

Salmon Whole or Eviscerated

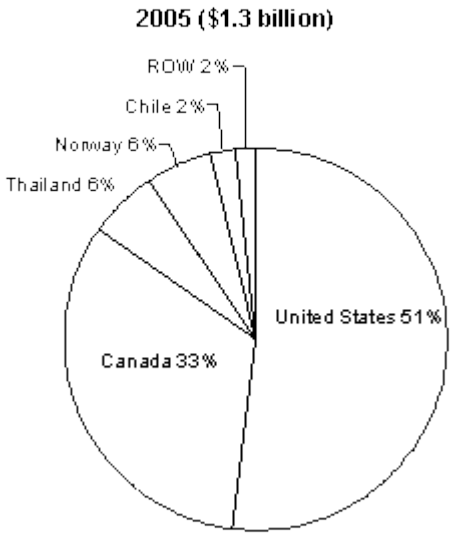


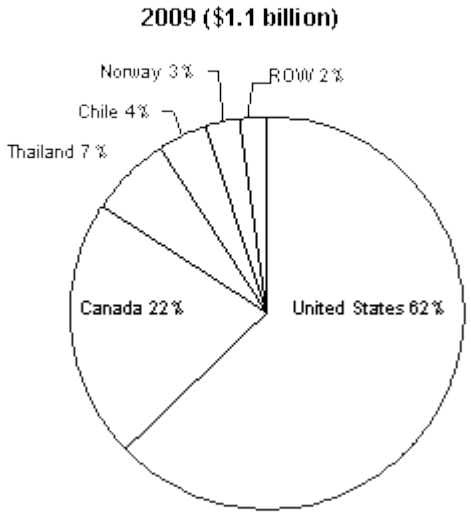
Source: Global Trade Atlas

Salmon canned

U.S. salmon canned was the third highest valued U.S. fish and seafood the EU-27 imported in 2009 at $70.8 million, a 2.5 percent decline from 2005. Despite its loss in value, U.S. canned salmon acquired market share by 11 percent.

Salmon Canned





Source: Global Trade Atlas

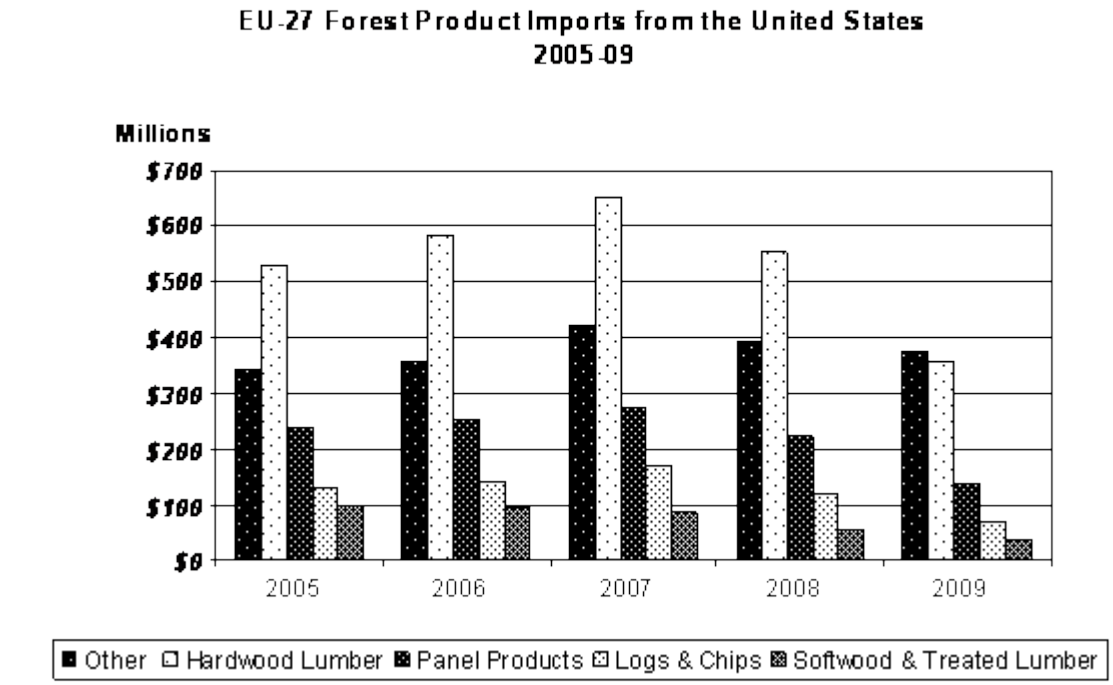
FOREST

EU-27 imports of U.S. forest products declined over the five-year period by 43.4 percent. In contrast, EU-27 exports of forest products to the U.S. declined 224 percent from 2005-09.

Percentage Change in Value of EU-27 Imports of U.S. Forest Commodities

Commodity	Value $		Percentage Change in Value		
Forest	**2005**	**2009**	**2005-08**	**2008-09**	**2005-09**
Other	$343,901,632	$377,360,912	12.7%	-4.4%	8.9
Hardwood Lumber	$530,505,543	$358,529,452	4.4%	-54.8%	-48.0%
Panel Products	$239,671,439	$141,400,509	-7.9%	-57.0	-69.5%
Logs & Chips	$132,397,945	$69,046,247	-10.8%	-73.1%	-91.8%
Softwood & Treated Lumber	$99,958,473	$38,546,845	-70.4%	-52.1%	-159.3%

Source: Global Trade Atlas



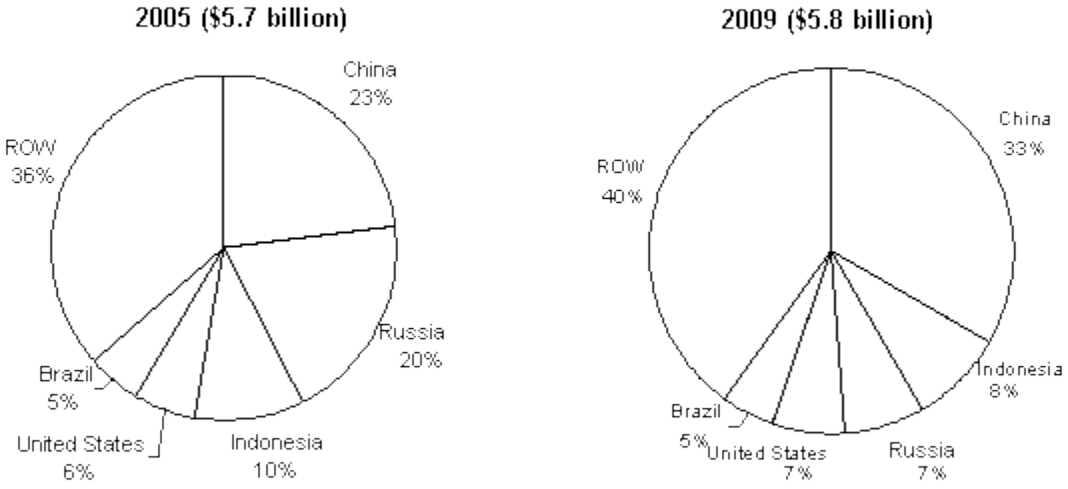
Source: Global Trade Atlas

Global Competitiveness

Other forest products

U.S. other forest products, mostly made up of sawdust, non-coniferous wood, and casks/barrels/vats and other parts of wood, were the highest valued forest product the U.S. exported to the EU-27 and the only one to appreciate in value over the five-year period. During this time other forest products increased their share of a $5.8 billion market by 1 percent.

Other Forest Products

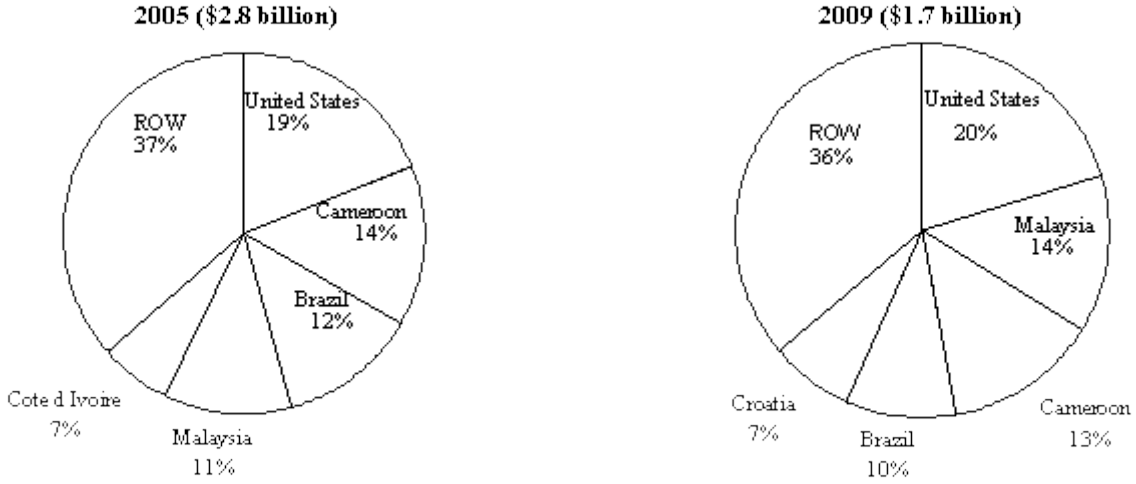


Source: Global Trade Atlas

Hardwood lumber

U.S. hardwood lumber decreased by 48 percent to $359 million by 2009. As the second highest grossing U.S. forest product the EU-27 imported, hardwood lumber gained market share from 2005-09, acquiring 1 percent of a $1.7 billion market.

Hardwood Lumber

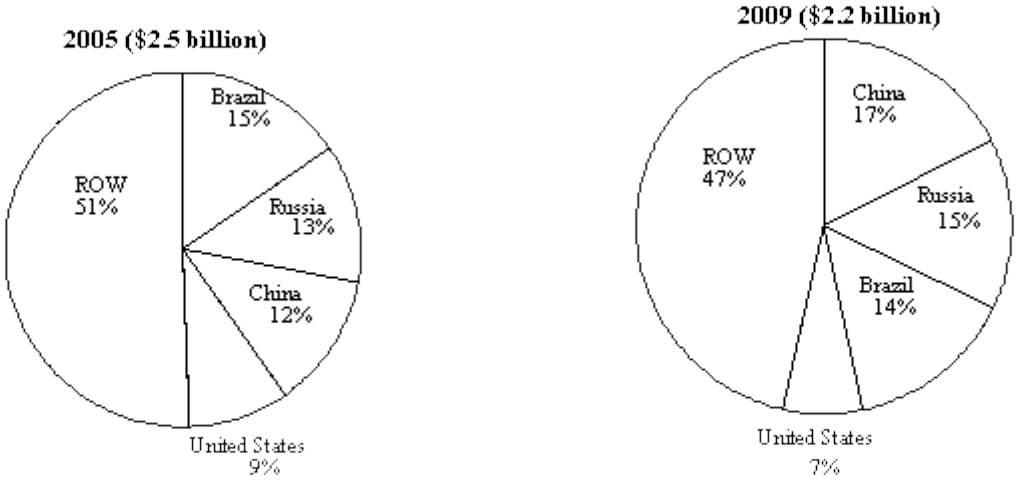


Source: Global Trade Atlas

Panel products

U.S. panel products lost 69 percent of its value from 2005-09 and lost 2 percent of its EU-27 market share.

Panel Products



Source: Global Trade Atlas

SOYBEANS and SOYMEAL

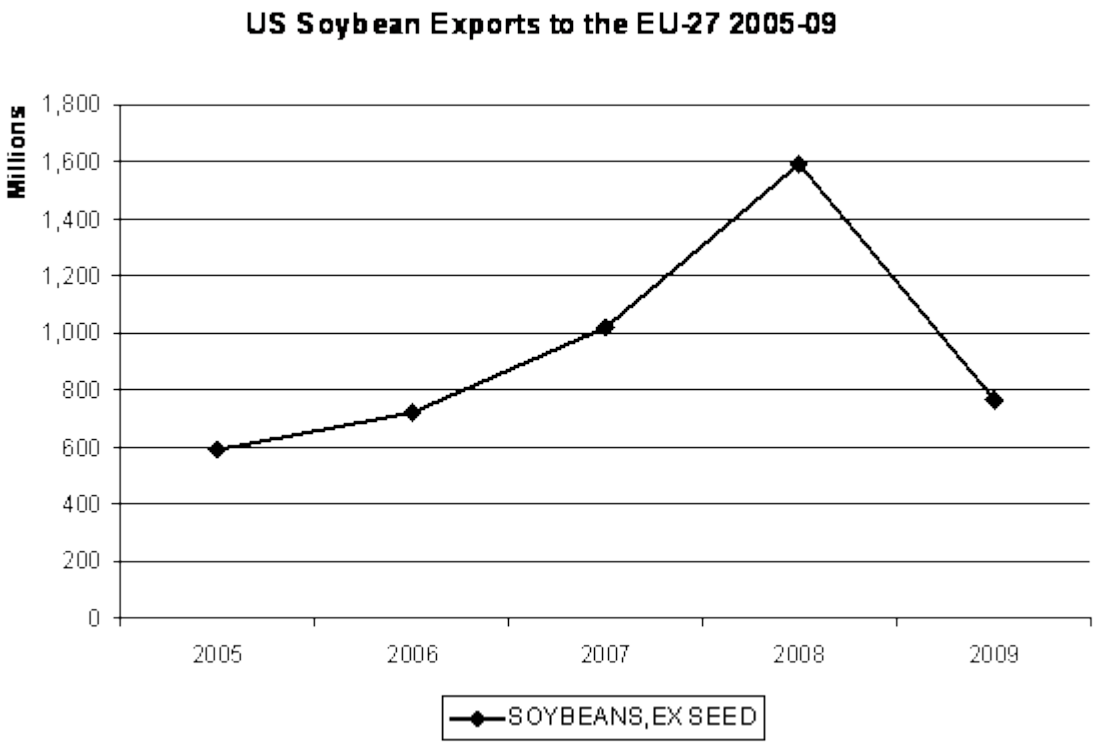
Soybeans

Soybeans gained 30 percent in value over the five years, ending the five-year period at $770 million. Soybeans are typically crushed in the EU-27 and used in animal feeds. U.S. exports of soybeans to the EU-27 were impeded by the discovery in Germany of trace amounts of an unapproved biotech corn variety in a shipment of soybean meal. Following this discovery, U.S. soybean exports to the EU-27 declined by 52 percent. The issue was resolved by European authorities, who accelerated their approval process to meet the demand of the animal feed industry. There is still a zero-tolerance rule for EU-unapproved biotech products, even for products authorized in other countries or for products that have received a positive opinion from the European Food Safety Authority. The halt on shipments resulted in the substitution within the EU of bean and meal shipments from the U.S. by South America-origin products.

U.S. Soybean Exports the EU27 2005-09

Commodity	Values $		Percentage Changes in Value		
Soybeans	2005	2009	2005-08	2008-09	2005-09
Soybeans (excl. seed)	590,518,000	769,538,000	63%	-52	30
Total	590,518,000	769,538,000	63%	-52	30

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

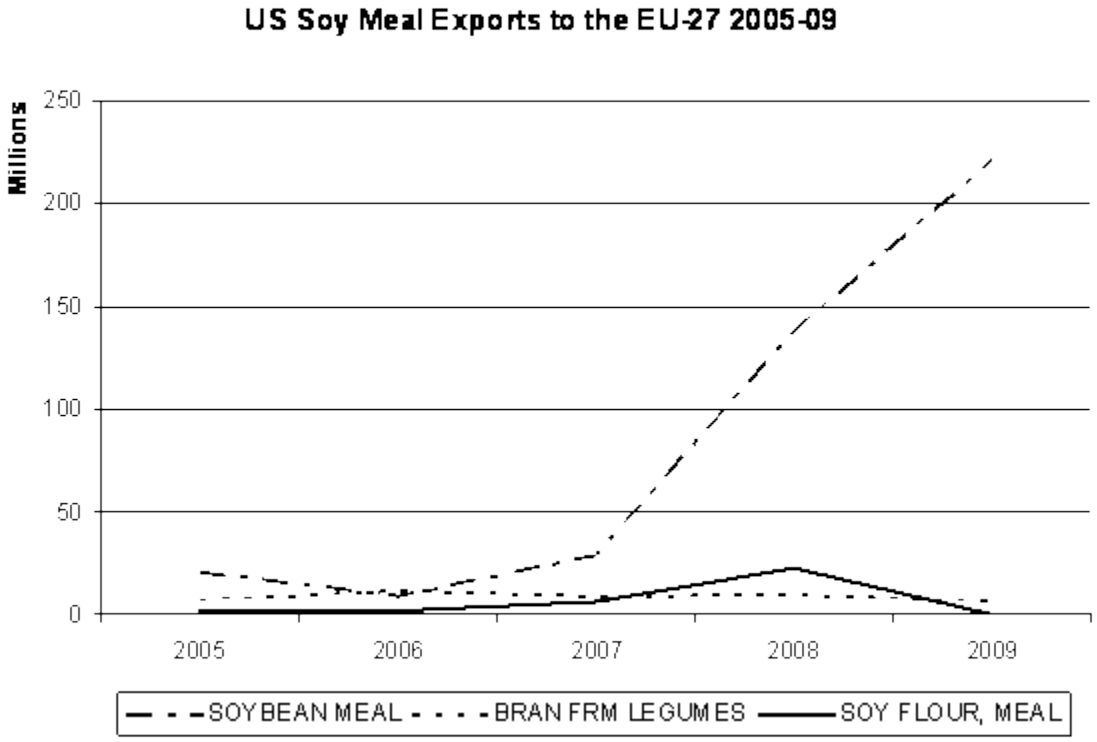
Soy Meal

Soy meal increased in value by 669 percent from 2005-09, reaching a period-high in 2009 at $228 million. The rise of U.S. exports of soy meal to the EU is the result of demand for its use in animal feed. Soybean meal has the largest share of protein meals used for animal feed in the EU-27, followed distantly by rapeseed meal and sunflower seed meal. Rapeseed production has continued to grow in the EU-27, but animal feed derived from rapeseed is not a perfect nutritional equivalent and the need to fulfill the protein requirements of animals who cannot consume animal feed with rapeseed has provided for increased demand of soy meal, driving its value up.

U.S. Soy Meal Exports to the EU-27 2005-09

Commodity	Values $		Percentage Changes in Value		
Soybean Meal	2005	2009	2005-08	2008-09	2005-09
SOYBEAN MEAL	20,472,000	221,426,000	83%	62	982
BRAN FRM LEGUMES	7,443,000	5,884,000	85%	-38	-21
SOY FLOUR, MEAL	1,685,000	385,000	22%	-98	-77
Total	29,601,000	227,694,000	93%	34	669

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

SALMON CANNED AND SALMON WHOLE OR EVISCERATED

Salmon Canned

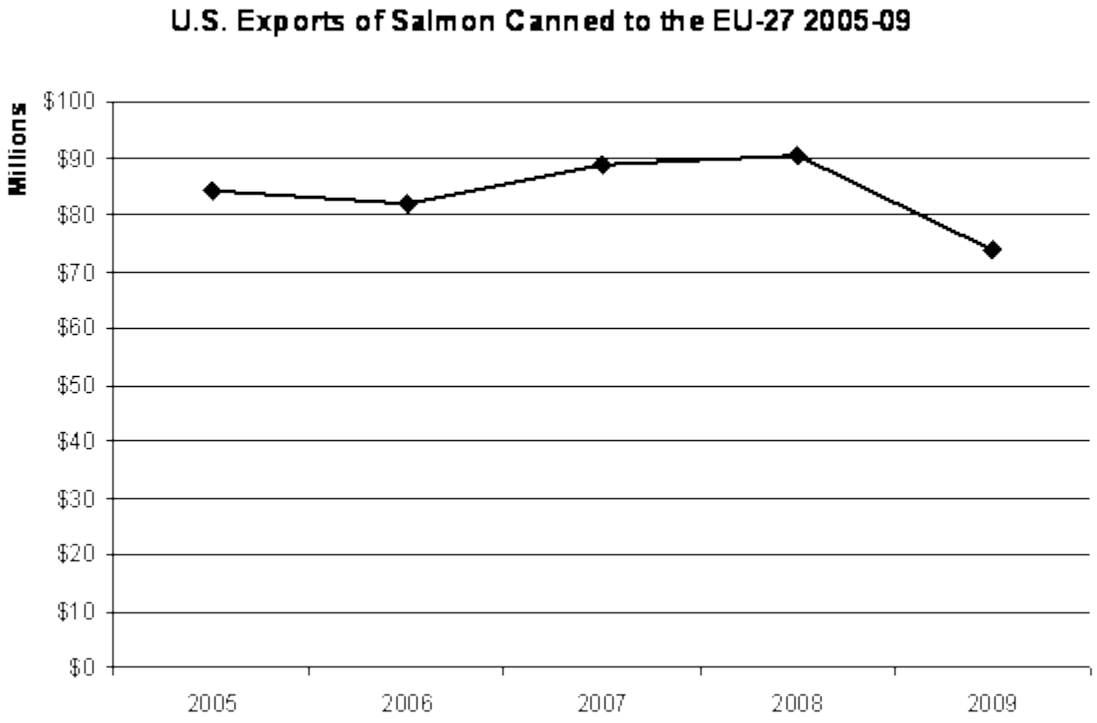
From 2005-09 salmon canned fell by more than $10 million, a 13 percent decline in value, to $73.6 million in 2009. It increased between 2005-8 by 6.9 percent and lost 23.1 percent of its value over 2008-09. Despite the five-year decrease in value for U.S. canned salmon, consumption remains normal. In Europe, canned salmon is seen as a traditional product and some U.S. brands enjoy strong reputations in the United Kingdom and The Netherlands. For these reasons, canned salmon's 13 percent decrease in value from 2005-09 may be attributable to the economic recession, and a rebound in 2011 may be possible.

U.S. Salmon Canned Exports to the EU27 2005-09

Commodity	Values $		Percentage Changes in Value		
Salmon Canned	2005	2009	2005-08	2008-09	2005-09
SCKY SLMN,N/O CD	61,406,000	50,161,000	-3%	-16%	-18%
PINK SLMN,CND	17,366,000	19,433,000	21%	-11%	12%
SALMON, NESOI, N	3,880,000	3,590,000	52%	-55%	-7%

SALMON, WHOLE OR	1,477,000	285,000	-562%	28%	-81%
CHUM N/OIL,CND	57,000	118,000	91%	-81%	108%
SALMON, WHOLE/PI	185,000	20,000	14%	-91%	-89%
Total	84,372,000	73,608,000	7%	-19%	-13%

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

Salmon Whole or Eviscerated

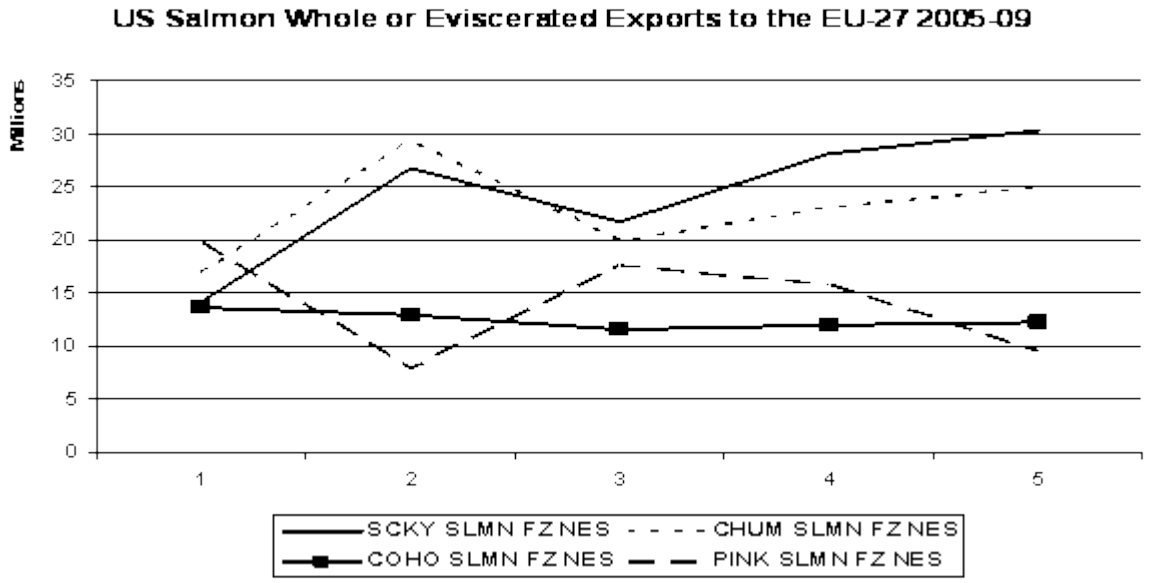
Salmon whole or eviscerated (fresh salmon) was valued at over $83 million during the five-year period, a 22 percent change in value. From 2005-08 fresh salmon experienced a 38 percent gain, but declined 25 percent over 2008-09. Fresh salmon's remarkable performance over the five-year period is attributed to the efforts of the Alaska Seafood Marketing Institute, which has a marketing program devoted entirely to international retail and restaurant business, and has branded Alaska salmon as, "a delicious, healthy, center-of-the-plate meal selection."

U.S. Salmon Whole or Eviscerated Exports to the EU27 2005-09

Commodity	Values $		Percentage Changes in Value		
Salmon Whole or Eviscerated	**2005**	**2009**	**2005-08**	**2008-09**	**2005-09**
SCKY SLMN FZ NES	14,169,000	30,301,000	50%	8%	114%
CHUM SLMN FZ NES	16,897,000	24,977,000	27%	8%	48%
COHO SLMN FZ NES	13,716,000	12,340,000	-14%	2%	-10%

PINK SLMN FZ NES	19,791,000	9,506,000	-24%	-40%	-52%
CHINOOK FZ NES	380,000	2,303,000	-55%	837%	505%
SALMONID FZ NES	31,000	2,098,000	100%	-93%	6,608%
COHO SLMN P/C HS	781,000	678,000	-97%	71%	-13%
PINK SLMN F/C NS	351,000	347,000	42%	-43%	-1%
AT/DNB SALM FZ	213,000	304,000	--	--	43%
CHUM SLMN F/C NS	744,000	167,000	-82%	-59%	-78%
SCKY SLMN FR/CH	111,000	108,000	-455%	430%	-3%
SLMND.NES,FR/CH	93,000	36,000	-1760%	595%	-61%
SLMN FR/CH NES	36,000	33,000	73%	-75%	-8%
PAC SLMN FZ NES	214,000	7,000	40%	-98%	-97%
CHINOOK FR/CH NE	856,000	5,000	-5607%	-69%	-99%
ATL SALMON WILD	0	0	100%	--	--
ATL SALMON FRMD	12,000	0	-9%	--	--
Total	68,396	83,210	38%	-25%	22%

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

ANIMAL FATS

Animal fats increased 1,200 percent from 2005-09, gaining nearly $17 million, due mainly to yellow grease and lard oil. The increase was the result of changes in the Animal By-Products Regulation (EU1774/2002) to encourage the use of animal by-products as feedstock for biofuel production. These policy changes are in line with the EU-27's renewable energy goals; in particular, the EU's commitment to increase the use of biofuels by 10 percent over the next 10 years. However, U.S. exports of yellow grease declined in 2009 when the EU-27 began applying duties for biodiesel on the yellow grease.

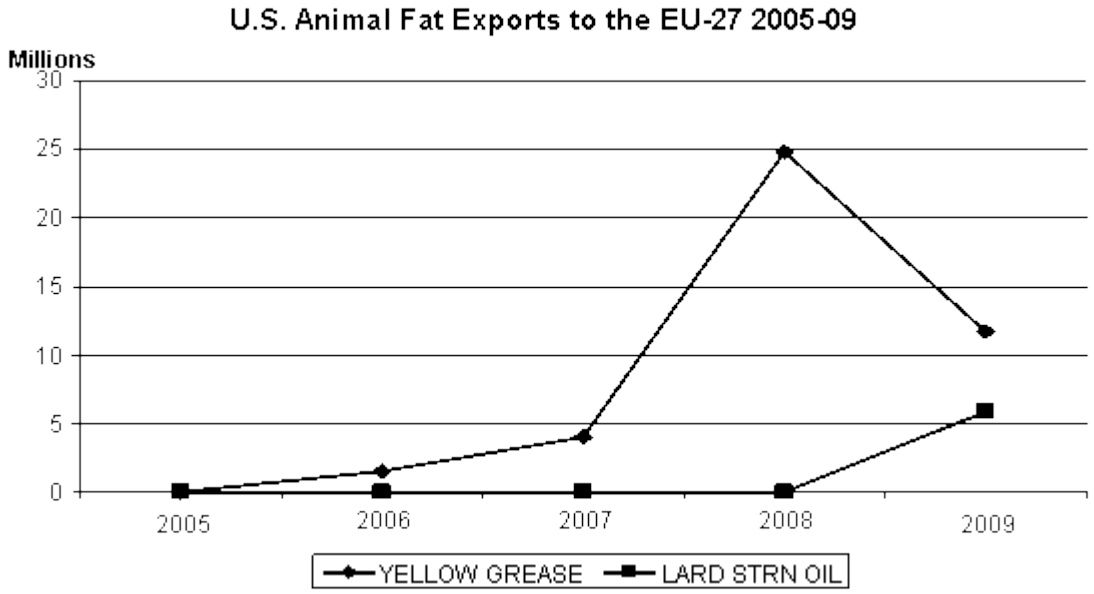
Tallow is also seen as a possible part of the strategy to achieve the EU-27's renewable energy objectives because it has high green house emissions savings. The ban on tallow exports to the EU-27,

over concerns about bovine spongiform encephalopathy, is currently under review.

U.S. Animal Fat Exports to EU-27 2005-09

Commodity	Values $		Percentage Changes in Value		
Animal Fats	2005	2009	2005-08	2008-09	2005-09
YELLOW GREASE	42,000	11,688,000	100%	-53%	27,799%
LARD STRN OIL	43,000	5,831,000	14%	11,459%	13,382%
AN FT&OI,NT CHEM	77,000	552,000	92%	-43%	613%
PIG&POULTRY FAT	26,000	100,000	52%	84%	277%
TALLOW, EDIBLE	12,000	51,000	88%	-47%	336%
LARD	88,000	45,000	-184%	46%	-49%
PIG&PLTY FAT RND	1,000,000	36,000	-4248%	59%	-96%
CHOICE WHT GREAS	0	36,000	100%	-38%	--
MLKFTS/OLS,NESOI	72,000	30,000	98%	-99%	-58%
ANML FTS&OIL HYD	43,000	9,000	23%	-84%	-79%
TALLOW, INEDIBLE	10,000	0	--	--	--
BOV SP/GT FAT	0	0	100%	--	--
Totals	1,414,000	18,378,000	95%	-41%	1,200%

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

WHEAT AND WHEAT FLOUR

Wheat

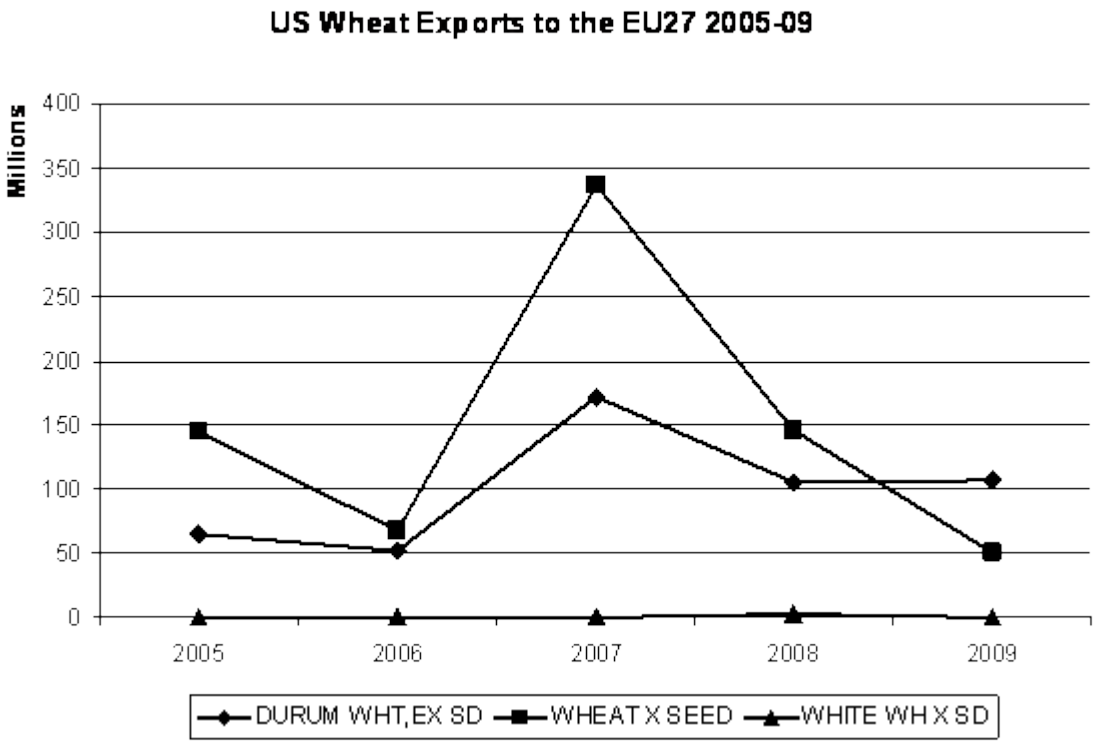
Although wheat increased by 17 percent from 2005-08, it declined by nearly $52 million over the five-year period as a whole, a 25 percent drop in value, to $157.2 million. Wheat fluctuated throughout the period, decreasing between 2005 and 2006 and, in the case of non-durum wheat and meslin, spiking between 2006 and 2007. Durum also increased from 2006-07. The wheat exported from the United States to the EU-27 is mainly high quality wheat, with high protein content. The trade volume varies per season and depends on the quality of the wheat harvested in the EU. For instance, in 2007 the

weather conditions were wet during harvesting and the wheat was mostly of lower quality in the EU-27 and so more high quality wheat needed to be imported from the United States. This wheat is purchased by EU-27 millers for increasing the average protein content of their flour or for specific purposes such as pasta production in Italy.

U.S. Wheat Exports to the EU27 2005-09

Commodity	Values $		Percentage Changes in Value		
Wheat	2005	2009	2005-08	2008-09	2005-09
DURUM WHT,EX SD	64,925,000	106,526,000	39%	1%	64%
WHEAT X SEED	144,241,000	50,728,000	1%	-65%	-65%
WHITE WH X SD	0	6,000	100%	-100%	--
Total	209,165	157,260	17%	-38%	-25%

Source: Global Agricultural Trade System



Source: Global Agricultural Trade System

Wheat Flour

Wheat flour exports reached $12.9 million in 2009, increasing 10,136 percent from 2005, a nearly $13 million change in value. The increase in trade is likely from the use of wheat flour in flour mixes. Offering an opportunity for future sales growth of U.S. wheat flour.

Percentage Change in Value U.S. Wheat Flour Exports to the EU27

Commodity	Values $		Percentage Changes in Value		
Wheat Flour	2005	2009	2005-08	2008-09	2005-09
Wheat Flour	126,000	12,893,000	96%	351%	10,136%
Total	126,000	12,893,000	96%	351%	10,136%

Source: Global Agricultural Trade System

Source: Global Agricultural Trade System